



**COUNCIL OF
THE EUROPEAN UNION**



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15248/13
(OR. en)
PRESSE 438

Start of the conciliation talks on the EU budget 2014

Today, the Council informed the European Parliament that it cannot approve all its amendments for the 2014 EU draft budget. This means that tomorrow a three-week conciliation period will start, aimed at bridging the gap between the divergent European Parliament and Council positions.

The 2014 EU budget is the first under the multiannual financial framework (MFF) 2014-2020.

The Council's position, as adopted on 2 September¹, is guided by the following three objectives:

1. Priority should be given to programmes and actions designed to put Europe back on the track of sustainable growth and jobs;
2. The budget level should be in line with member states' financing capacities and match their budgetary consolidation efforts; particular emphasis should be laid on keeping administrative expenditure under control;
3. Sufficient margins should be left under the ceilings of the multiannual financial framework in order to enable the EU to cope with unforeseen situations.

Against this background, the Council regrets the European Parliament's request to increase the level of appropriations beyond the draft budget proposed by the Commission, hereby drastically reducing or in certain cases even exhausting or exceeding the margins available under the MFF ceiling.

¹ [13176/13](#) + [ADD 1](#) + [ADD 2](#) + [ADD 3](#) + [ADD 4](#) + [ADD 5](#) + [ADD 6](#) + [ADD 7](#)

P R E S S

The Council's position amounts to **EUR 135.00 billion in payments**¹ (EUR 134.80 billion if special instruments outside the MFF are excluded) and **EUR 142.23 billion in commitments**² (EUR 141.77 billion when excluding special instruments outside the MFF).

The European Parliament asked to increase the payments to **EUR 136.44 billion in payments** (EUR 136.08 billion if special instruments outside MFF are excluded) and **EUR 143.08 billion in commitments** (EUR 142.63 when excluding special instruments outside the MFF).

The Commission proposed **EUR 136.07 billion in payments** (EUR 135.87 billion) and **EUR 142.47 billion in commitments** (EUR 142.01 billion).

Conciliation will also cover:

- **amending letter no 1 for 2014** ([13822/13](#)) which adapts the draft budget for 2014 to take into account the political agreement on the MFF 2014-2020 (notably by frontloading commitments for Horizon 2020, Erasmus and COSME) and to increase the financial support to Cyprus under the structural funds by EUR 100 million;
- **amending letter no 2 for 2014** ([15054/13](#)) which updates the draft budget for 2014 with regard to agricultural expenditure, international fisheries agreements and administrative expenditure reducing the overall commitments and payments by EUR 4.9 million.

If no agreement is reached by the end of the conciliation period on 13 November, the Commission must submit a new draft budget.

¹ This corresponds to 1.00% of the EU's gross national income.

² Commitments are legal promises to spend money for activities whose implementation might extend over several financial years.

Background

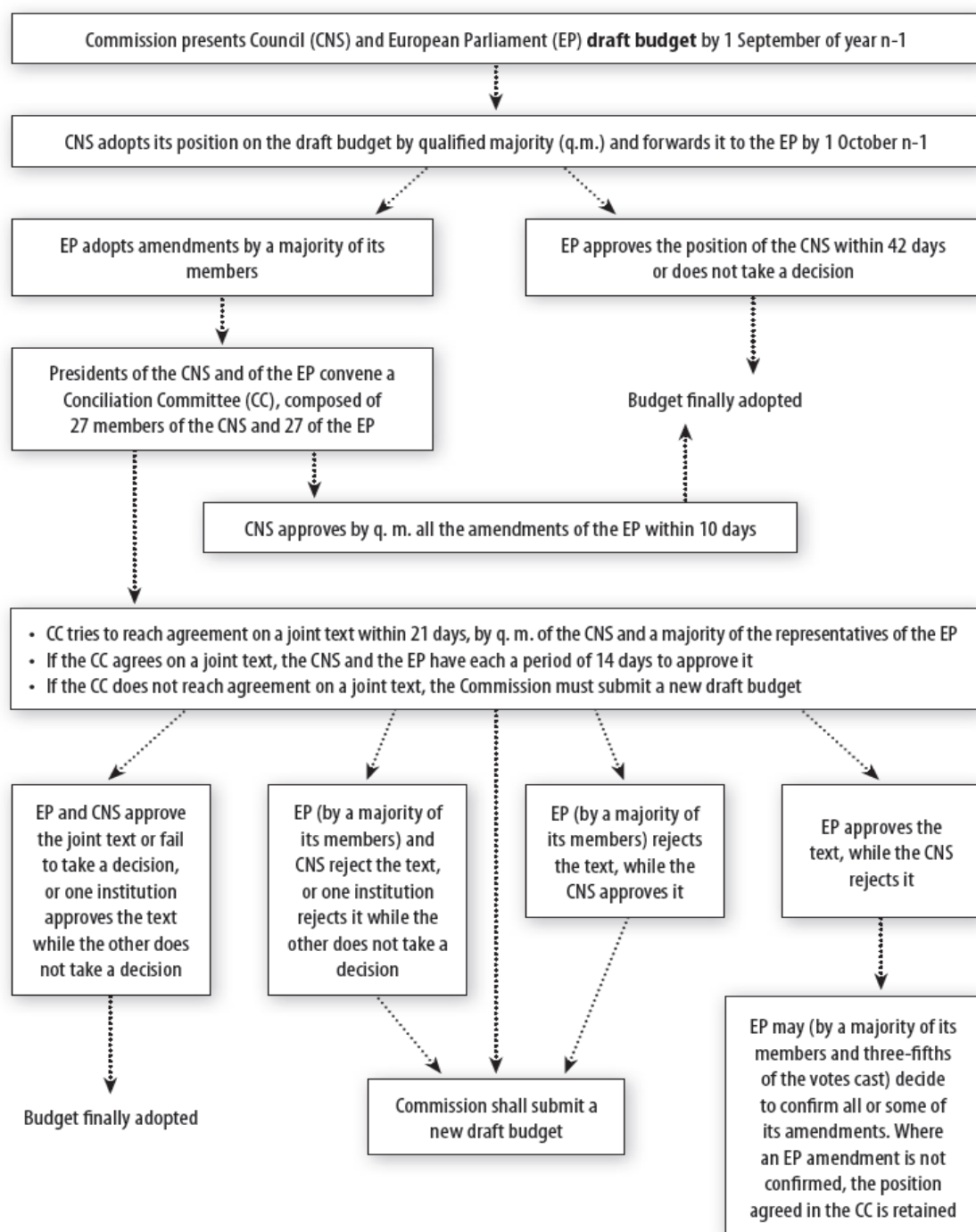
The Conciliation Committee is composed of the 28 members of the Council and an equal number of members of the European Parliament. It will meet on 4 and 11 November, the meeting on the latter date being prepared by the ECOFIN-Budget Council taking place on the same day. Trilogue discussions between the Lithuanian presidency and representatives of the European Parliament and the Commission will take place on 7 November. The conciliation period ends on 13 November.

If the conciliation succeeds, the Council and the European Parliament have 14 days to formally adopt the agreement, following the finalisation of the text (*see flow-chart on the last page*). The budget is adopted unless the Council or the European Parliament rejects it.¹ If the conciliation fails, the Commission must submit a new draft budget.

Should the budget not be adopted at the beginning of 2014, a sum equivalent to not more than one twelfth of the budget appropriations for 2013 or of the draft budget proposed by the Commission, whichever is smaller, may be spent each month for each chapter of the budget, in line with Article 315 of the Treaty on the Functioning of the EU.

¹ The only exception is the (rather theoretical) case where the Council rejects the text. In this case, the European Parliament may adopt the budget by confirming its amendments by a majority of its members and three-fifths of the votes cast.

Budget procedure under the Lisbon Treaty (Art. 314)



CC = Conciliation Committee

CNS = Council

EP = European Parliament

q.m. = qualified majority